

Introduced by Senator Yee

February 23, 2007

An act to add Section 11778.5 to the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 723, as introduced, Yee. State Compensation Insurance Fund: health insurance.

Existing law establishes the State Compensation Insurance Fund, and authorizes the fund to transact workers' compensation insurance to the same extent as any other insurer, and subject to the powers and authority of the Insurance Commissioner.

This bill would, in addition, authorize the fund to transact group health insurance with employers insured by the fund for workers' compensation to the same extent as any other insurer, and subject to the powers and authority of the Insurance Commissioner.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 11778.5 is added to the Insurance Code,
- 2 to read:
- 3 11778.5. Notwithstanding any other provision of law, the fund
- 4 may transact group health insurance, as defined in Section 106,
- 5 with employers who are insured by the fund against liability for
- 6 compensation. The fund shall be subject to the powers and
- 7 authority of the commissioner to the same extent as any other
- 8 insurer transacting group health insurance. For purposes of Section

1 700, the fund shall be deemed admitted to transact this class of
2 insurance.

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